

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

IN RE MUTUAL FUNDS INVESTMENT LITIGATION	MDL 1586
IN RE ALGER, COLUMBIA, JANUS, MFS, ONE GROUP, PUTNAM, and ALLIANZ DRESDNER	Case No. 04-md-15863 (Judge Motz)
[Allianz Dresdner Sub-track]	
Pingitore v. Allianz Dresdner Asset Management of America, L.P., <i>et al.</i>	Case No. 04-md-1933
McBride v. Allianz Dresdner Asset Management of America L.P., <i>et al.</i>	Case No. 04-md-1924

**AMENDED ~~PROPOSED~~ ORDER PRELIMINARILY APPROVING
SETTLEMENTS OF CLASS ACTION AND ESTABLISHING NOTICE
PROCEDURES**

J. FREDERICK MOTZ, District Judge

WHEREAS:

A. Class Lead Plaintiffs Combined Welfare Fund and Warren Meier, on their own behalf and on behalf of the Class, and (i) Derivative Lead Plaintiffs Donna Alexander, Thomas F. Bednarek, Janet Befort, Richard Befort, Racquel Benun, Anil Kapoor, Jack McBride, Ira Newman, Robert Rubin, Edward Segel, Iris Segel, Jean Stigas, Lawrence A. Stigas and Virginia Wilcox (Class Lead Plaintiffs and Derivative Lead Plaintiffs collectively, "Plaintiffs"), on the one hand; and (ii) Allianz Global Investors of America L.P. f/k/a Allianz Dresdner Asset Management of America L.P. or

ADAM ("AGI"), Allianz Global Investors Distributors LLC f/k/a PIMCO Advisors Distributors LLC or PA Distributors LLC or PAD ("AGID"), Allianz Global Investors Fund Management LLC f/k/a PIMCO Advisors Fund Management LLC or PA Fund Management LLC or PAFM ("AGIFM"), and PEA Capital LLC f/k/a PIMCO Equity Advisors LLC ("PEA Capital") (collectively, the "Allianz Defendants") and the Individual Defendants (collectively, Stephen J. Treadway, Kenneth W. Corba, and John E. Cashwell, Jr.) (the Allianz Defendants and the Individual Defendants shall be collectively referred to herein as the "Allianz Settling Defendants"), on the other hand, have entered into a settlement of the claims asserted against the Allianz Settling Defendants in the above-captioned Class Action and Derivative Action (the "Actions"), the terms of which are set forth in a Stipulation and Agreement of Settlement, dated June 17, 2009 and amendments thereto dated January 27, 2010, and April 20, 2010 (collectively the "Stipulation");

B. Plaintiffs also have entered into separate settlements with each of the following: (i) Bear, Stearns & Co., Inc., Bear, Stearns Securities Corp. and The Bear Stearns Companies, Inc., currently known as J.P. Morgan Securities, Inc., J.P. Morgan Clearing Corp. and The Bear Stearns Companies LLC, respectively (the "Bear Stearns Entities"), as set forth in the Allianz Dresdner (PIMCO)/Bear Stearns Severed Agreement and Stipulation of Settlement dated January 15, 2010 (the "Bear Stearns Severed Settlement"); (ii) Canary Capital Partners, LLC, Canary Capital Partners, Ltd., Canary Investment Management, LLC, and Edward Stern (the "Canary Entities"), as set forth in the Allianz Dresdner (PIMCO)/Canary Severed Agreement and Stipulation of Settlement dated January 27, 2010 (the "Canary Severed Settlement"), and (iii) Banc of America

Securities LLC ("BAS"), as set forth in the Allianz Dresdner (PIMCO)/BAS Severed Agreement and Stipulation of Settlement dated January 28, 2010 (the "BAS Severed Settlement").¹ Collectively, the Bear Stearns Severed Settlement, the Canary Severed Settlement, and the BAS Severed Settlement are referred to as the "Third Party Settlements" and, together with the Stipulation, shall be referred to as the "Settlements".

C. Class Lead Plaintiffs have moved, pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, for an Order preliminarily approving the Settlements, and providing notice of the proposed Settlements; and

D. The Court having read and considered the Stipulation, the Third Party Settlements, the proposed Notice of Pendency and Proposed Settlement of Class Action, Proposed Settlement of Derivative Action, Motion for Attorneys' Fees and Expenses and Settlement Hearing (the "Long Form Notice"), the proposed Summary Notice of Proposed Settlement (the "Summary Notice"), the proposed Publication Notice of Proposed Settlement (the "Publication Notice"), the proposed Plan of Allocation as set forth in the Stipulation and the Long Form Notice, and the proposed forms of the Final Order and Judgment Approving Settlements and Dismissing Action Against the Settling Defendants, the Order Approving Plan of Allocation, and the Order Awarding Fees and Expenses to Plaintiffs' Counsel and the Plaintiffs' Award in Connection with the Settlements in the Allianz Dresdner Sub-track, and finding that substantial and sufficient grounds exist for entering this Order;

¹ The Bear Stearns Entities, the Canary Entities and BAS are collectively referred to herein as the "Third Party Settling Defendants." The Allianz Settling Defendants and the Third Party Settling Defendants are referred to collectively as the "Settling Defendants." Plaintiffs and the Settling Defendants shall be collectively referred to hereinafter as the "Parties."

IT IS HEREBY ORDERED:

1. For purposes of this Order, the Court adopts all defined terms as set forth in the Stipulation. All capitalized terms herein, unless otherwise defined, shall have the meaning set forth in the Stipulation.

JURISDICTION

2. This Court has jurisdiction over the subject matter of the Actions and over all Parties to the Actions, including all members of the Class, as defined below.

NO DETERMINATION

3. This Court hereby decrees that neither the Settlements, nor this Order, nor the fact of the Settlements, are an admission or concession by the Settling Defendants of any liability or wrongdoing whatsoever. Further, neither the Settlements nor this Order, nor the fact of the Settlements, are an admission or concession by the Class Lead Plaintiffs or Derivative Lead Plaintiffs of any infirmity in the claims of Plaintiffs or the Class Members.

CERTIFICATION OF SETTLEMENT CLASS

4. The Class Settling Funds consist of the following equity funds that were series in the Allianz Funds Trust during the Class Period: (1) PEA Target Fund, n/k/a OCC Target Fund; (2) PEA Innovation Fund; (3) PEA Opportunity Fund, n/k/a OCC Opportunity Fund; (4) PIMCO International Fund; (5) PIMCO Precious Metals Fund; (6) RCM International Growth Equity Fund, n/k/a RCM Disciplined International Equity Fund; (7) PEA Renaissance Fund, n/k/a NFJ Renaissance Fund; (8) PEA Growth Fund, n/k/a OCC Growth Fund; and (9) PIMCO International Growth Fund (later called PIMCO/Allianz Select International Fund) (the "Class Settling Funds"). For settlement

purposes, the Parties have proposed conditional certification of the following Class under Fed. R. Civ. P. 23(a) and (b)(3):

“Class” means every Person who, during the period February 23, 1999, through February 17, 2004, inclusive (“Class Period”), purchased, owned or held shares in any Class Settling Funds. Excluded from the Class are: (i) the Allianz Defendants; (ii) the Individual Defendants; (iii) any and all defendants in the Allianz Sub-track other than the Allianz Defendants and the Individual Defendants (“Other Defendants”); (iv) members of the immediate families (i.e., parents, spouses, siblings, and children), officers, directors, parents, subsidiaries, affiliates, legal representatives, heirs, predecessors, successors and assigns of any of the foregoing excluded parties, and any entity in which any of the foregoing excluded parties has, or had during the Class Period, a controlling interest; and (v) all trustees and portfolio managers of the Class Settling Funds. Also excluded from the Class are any Persons who timely and validly exclude themselves by filing a request for exclusion from the Class.

5. The Court hereby preliminarily FINDS and CONCLUDES, solely for the purposes of effectuating the Settlements, that the Class set forth above satisfies all of the requirements for certification under Rule 23(a) and Rule 23(b)(3). The requirements of Rule 23(a) – numerosity, commonality, typicality, and adequacy – are satisfied, the Class satisfies the requirements for certification under Rule 23(b)(3) as questions of law or fact common to the Class predominate over individualized issues, and a class action is superior to other available methods for the fair and efficient adjudication of the controversy. Accordingly, the Court conditionally CERTIFIES the Class for purposes of the Settlements, under Rules 23(a) and 23(b)(3).

6. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for the purposes of the Settlements only, Class Lead Plaintiffs, Combined Welfare Fund

and Warren Meier, are preliminarily certified as Class Representatives and Lead Class Counsel, Wolf Popper LLP, are certified as Class Counsel.

PRELIMINARY APPROVAL OF SETTLEMENT AGREEMENTS

7. The proposed Settlements and the Plan of Allocation described in the Long-Form Notice are hereby PRELIMINARILY APPROVED. Final approval of the Settlements is subject to the hearing of any objections of members of the Class to the proposed Settlements.

8. Pending the determination of the fairness of the Settlements, all further litigation of these Actions, other than such proceedings as may be necessary to carry out the terms and conditions of the Settlements, is hereby STAYED.

OTHER CASES ENJOINED

9. Pending final approval of the Settlements, the Court hereby preliminarily enjoins each Class member, including any member who makes an irrevocable election to exclude himself or herself from the Class, and each Derivative Lead Plaintiff from commencing, prosecuting or maintaining in any court other than this Court any claim, action or other proceeding that challenges or seeks review of or relief from any order, judgment, act, decision or ruling of this Court in connection with the Settlements. The Court further enjoins any member of the Class who has not, by the deadline for opting out, made a timely, irrevocable election to exclude himself, herself or itself from the Class from commencing, prosecuting or maintaining, either directly, representatively or in any other capacity, any of the Released Claims (as defined in the Stipulation and the respective Third Party Settlements).

APPROVAL OF THE FORM AND MANNER OF DISTRIBUTING NOTICE

The Parties have submitted for this Court's approval a proposed Long Form Notice, a Publication Notice, and a Summary Notice (together, the "Notice"), and a Proof of Claims and Release (the "Proof of Claim"), which the Court has reviewed. The Court finds and concludes as follows:

10. The form and content of the proposed Notice and the method set forth herein of notifying the Class of the Settlements and their terms and conditions, meet the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7) as amended by the Private Securities Litigation Reform Act of 1995, due process, and any other applicable law, constitute the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons and entities entitled thereto. Under this plan, the Claims Administrator shall cause notice of the proposed Settlements, the hearing on the proposed Settlements, the request for approval of the Plan of Allocation, and Lead Counsel's application for an award of attorneys' fees and payment of expenses and the Plaintiffs' Award, to be provided as follows:

(a) Beginning by June 30, 2010, a copy of the Summary Notice, substantially in the form annexed hereto as Exhibit A, shall be mailed by first class mail to all Class Members at the address of each such person as set forth in the records of the Allianz Defendants or its transfer agents, *provided, however*, that in cases where a financial institution serving as an intermediary is the shareholder of record and holds securities in an omnibus account on behalf of a Class Member as the actual beneficial owner, notice to the financial institution shall suffice;

(b) A Publication Notice substantially in the form annexed hereto as Exhibit B shall be published once each on separate days in *The Wall Street Journal* ("WSJ"), *The New York Times*, and *People* magazine, and a press release shall be issued through PR Newswire to both its US1 and Financial Markets newlines within two weeks after the mailing of the Summary Notice, and, additionally, banner advertising on various investing e-newsletters such as *MarketWatch*, *WSJ*, and *Barron's* and placed through Really Simple Syndication ("RSS") shall be used; and

(c) The Long Form Notice, in the form annexed hereto as Exhibit C, shall be placed on the web site maintained by the Claims Administrator, as approved by the Court below, at www.mutualfundsettlements.com/allianz (the "Website"), which hyperlinks to the Settlements. The Summary Notice expressly directs potential Class Members to obtain the Long Form Notice from the Website, as does the Publication Notice.

11. The forms of Notice fairly, plainly, accurately, and reasonably inform Class members of: (1) appropriate information about the nature of these Actions, the Class, the identity of Plaintiffs' Counsel and the essential terms of the Settlements, including the Plan of Allocation; (2) appropriate information about Plaintiffs' Counsel's forthcoming application for attorneys' fees and other payments that will be deducted from the Settlement Amount (as defined below); (3) appropriate information about how to participate in the Settlements; (4) appropriate information about this Court's procedures for final approval of the Settlements, and about Class members' right to appear through counsel if they desire; (5) appropriate information about how to challenge or opt out of the Settlements, if Class members wish to do so; and (6) appropriate

instructions about how to obtain additional information regarding these Actions or the Settlements.

12. The Court FINDS and CONCLUDES that the proposed plan for distribution of the Notice will provide the best notice practicable, satisfies the notice requirements of Rule 23(e), the Private Securities Litigation Reform Act of 1995 ("PSLRA"), and all other legal and due process requirements.

13. The Court also FINDS and CONCLUDES that the proposed plan of notice provides reasonable and adequate notice of the Derivative Action to current shareholders of all of the Allianz Funds, and satisfies the notice requirements of Rule 23.1(c) and all other legal and due process requirements.

14. Accordingly, the Court hereby ORDERS as follows:

(a) The forms of the Long Form Notice, Publication Notice, and Summary Notice are APPROVED.

(b) The manner of distributing the Notice is APPROVED.

(c) Promptly following the entry of this Order, the Claims Administrator shall prepare final versions of the Long Form Notice, Publication Notice, and Summary Notice, incorporating the relevant dates and deadlines set forth in this Order.

(d) The Claims Administrator shall provide counsel for the Plaintiffs and the Allianz Defendants with a list of those shareholders entitled to receive notice pursuant to this Order who have not been located and the Claims Administrator may engage third party vendors in order to locate those shareholders. The Claims Administrator shall maintain a log of its activities undertaken in its efforts to locate such

shareholders. The reasonable expenses of the Claims Administrator shall be paid by the Allianz Defendants as described in the Stipulation.

(e) The Claims Administrator shall take all other actions in furtherance of the Plan of Allocation as specified in the Stipulation.

15. To effectuate the provision of notice provided for in paragraph 10(a) and (c) hereof, and the calculation of the net settlement amount distributions to the 36(b) Settling Funds, and Authorized Claimants, and other actions required by this Order, the Court hereby approves the selection of Rust Consulting, Inc., to serve as the Administrator for the Settlement (the "Claims Administrator"). The Allianz Defendants may retain the Claims Administrator.

16. To further effectuate the provision of notice provided for in paragraph 10 hereof, the Claims Administrator shall establish a toll free telephone number and lease and maintain a post office box of adequate size for the return of requests for exclusion. All Notices shall designate said post office box as the return address for the purposes designated in the Notices. The Claims Administrator shall be responsible for the receipt of all responses to the Notice and, until further order of the Court, shall preserve all entries of appearance, requests for exclusion, and all other written communications from Class Members, nominees or any other person in response to the Notices.

17. In accordance with the provisions and limitations of the Stipulation and the Third Party Settlements, reasonable Notice and Administrative Costs shall be paid by the Allianz Defendants except in cases where pursuant to the Stipulation such costs are to be paid from the settlement amount (made up of the monies funded by the

Allianz Defendants and the Third Party Settlements plus interest as set forth in the Settlements (the "Settlement Amount").

18. On or before September 14, 2010, the Allianz Settling Defendants shall cause to be filed with the Clerk of this Court affidavits or declarations of the person or persons under whose general direction the mailing of the Summary Notice, the publication of the Publication Notice, and the Website posting of the Long Form Notice shall have been made, showing that such mailing, publication and posting have been made in accordance with this Order.

19. All nominees receiving the Summary Notice who hold or held the Class Settling Funds for beneficial owners are directed to, within ten (10) days of their receipt of the Summary Notice or other written notice of the Settlements, either (a) supply a list of the names and addresses of such beneficial owners to the Claims Administrator, and the Claims Administrator is ordered to send the Summary Notice promptly to such identified beneficial owners; or (b) promptly request additional copies of the Summary Notice from the Claims Administrator and within seven (7) days of receipt of the copies of the Summary Notice from the Claims Administrator mail, either by first class mail, or by e-mail (for those accounts for which the nominee has current e-mail addresses), the Summary Notice to the beneficial owners. Nominee purchasers who elect to send the Summary Notice to their beneficial owners shall send a statement to the Claims Administrator confirming that the mailing was made as directed, and shall provide the Claims Administrator with a list of the names and addresses of the persons and entities to whom the Summary Notice was mailed. Additional copies of the Summary Notice shall be made available to any record holder requesting such for the

purpose of distribution to beneficial owners, and, upon full compliance with this Order, such record holders may seek reimbursement from the Allianz Defendants, upon receipt by the Claims Administrator of proper documentation, for the reasonable expense actually incurred of sending the Summary Notice to beneficial owners in complying with this Order (i.e., those expenses that would not have otherwise been incurred).

PAYMENT OF NET SETTLEMENT AMOUNT

20. Class Lead Counsel is authorized and directed to prepare any tax returns required to be filed on behalf of the Settlement Amount and to cause any taxes due and owing to be paid from the Settlement Amount, as set forth in the Stipulation and the Third Party Settlements.

21. There shall be no distribution of any of the Settlement Amount to any Class member or the 36(b) Settling Funds or the Class Settling Funds until after the Effective Date.

PROCEDURES FOR FINAL APPROVAL OF THE SETTLEMENTS

22. **Fairness Hearing:** The Court hereby schedules a hearing (the "Final Settlement Hearing") on October 21 and 22, 2010, at 10:00 a.m., for the following purposes:

(a) to finally determine whether the Class Action satisfies the applicable prerequisites for class action treatment under Rules 23(a) and (b) of the Federal Rules of Civil Procedure;

(b) to determine whether the proposed Settlements are fair, reasonable, and adequate, and should be approved by the Court;

(c) to determine whether the Final Order and Judgment as provided under the Settlements should be entered, dismissing the Actions filed herein, on

the merits and with prejudice as against the Settling Defendants with respect to the Released Claims (as defined in the Stipulation and the Third Party Settlements), and to determine whether the releases of the Released Claims, as set forth in the Settlements, should be provided to the Allianz Released Parties (and, with respect to the Third Party Settlements, the released parties as defined therein);

(d) to determine whether the proposed Plan of Allocation for the proceeds of the Settlements is fair and reasonable, and should be approved by the Court;

(e) to consider Plaintiffs' Counsel's application for an award of attorneys' fees and expenses and Plaintiffs' Award; and

(f) to rule upon such other matters as the Court may deem appropriate.

The Final Settlement Hearing shall be held at the United States District Court for the District of Maryland, Baltimore Division, 101 West Lombard Street, Baltimore, Maryland 21201. The Court expressly reserves the right to adjourn or continue the Final Settlement Hearing without any further notice to the Class other than by an announcement of the adjournment at the scheduled time of the Final Settlement Hearing or at the scheduled time of any adjournment of the Final Settlement Hearing. The Court may consider modifications of the Settlements (with the consent of Plaintiffs and the Settling Defendants) without further notice to the Class.

23. Right to Request Exclusion from the Settlements: Class members may exclude themselves, or opt out, of the Settlements. Class members shall be bound by all determinations and judgments in this Action, whether favorable or

unfavorable, unless such persons request exclusion from the Class in a timely and proper manner, as hereinafter provided. Any request for exclusion must be in the form of a written, signed statement (the "Request for Exclusion") mailed by first class mail postmarked to the Claims Administrator at the address designated in the Long Form Notice on or before September 21, 2010 (the "Exclusion Deadline"). Such Request for Exclusion shall clearly indicate the name, address and telephone number of the person seeking exclusion, that the sender requests to be excluded from the Class for the Allianz Sub-track Settlement in MDL 1586 – the Mutual Funds Securities Litigation, and must be signed by such person. Such persons requesting exclusion are also directed to include in the Request for Exclusion: (1) year-end account statements sufficient to show that the Class member held shares in one or more of the Class Settling Funds during the Class Period and the financial intermediary, if any, through which the Class member held shares; and (2) if the Class member held shares in the Class Settling Funds through a financial intermediary, a statement by the Class member authorizing the financial intermediary to disclose records of the Class member's holdings in the Class Settling Funds to the Claims Administrator. The Request for Exclusion shall not be effective unless it provides the required information and is made within the time stated above, or the exclusion is otherwise accepted by the Court. The Claims Administrator shall provide to all counsel in accordance with the supplemental agreements between Class Plaintiffs and the Settling Defendants (the "Supplemental Agreements") all Requests for Exclusions that are received. The Class will not include those individuals who file and serve a timely request for exclusion, and individuals who opt-out are not entitled to any

monetary award under the Settlements, and shall not participate in any Settlements with any Settling Defendants.

24. Within five (5) business days after the Exclusion Deadline, the Claims Administrator shall provide the counsel for the Settling Defendants and Class Lead Counsel with a report which, at a minimum, will identify all persons purporting to opt out of the Class and will attach the Requests for Exclusion submitted by each. At or before the Final Settlement Hearing, the Claims Administrator shall file all Requests for Exclusion with the Court.

25. **The Settling Defendants' Right to Rescind Agreements.** If the number of individuals who opt out of the Class in the manner provided in this Order exceeds the opt-out thresholds set forth in the Supplemental Agreements, then the Settling Defendants, at their sole option, shall have the right to void their respective Settlements, provided that the Settling Defendants exercise their right to void the Settlements within the time frames set forth in the respective Supplemental Agreements. In addition,

(a) in the event of a termination of the Stipulation pursuant to the Supplemental Agreement (the "Allianz Supplemental Agreement") between Plaintiffs and the Allianz Defendants, all of the Allianz Defendants' obligations under the Stipulation shall cease to be of any force and effect, and the Stipulation and any orders entered in connection therewith shall be vacated, rescinded, cancelled, and annulled, and the Plaintiffs and the Allianz Settling Defendants shall return to the status quo in the Actions as if the those parties had not entered into the Stipulation. In addition, in such event, the Stipulation and all negotiations, court orders, and proceedings related thereto

shall be without prejudice to the rights of any and all parties thereto, and evidence relating to the Stipulation and all negotiations shall not be admissible or discoverable in the Action or otherwise. Notwithstanding the foregoing, the Stipulation shall not become null and void as a result of the election by the Allianz Defendants to exercise their option to withdraw from the Stipulation pursuant to the Allianz Supplemental Agreement until the conditions set forth in the Allianz Supplemental Agreement have been satisfied;

(b) in the event of a voidance of the Bear Stearns Severed Settlement pursuant to the Supplemental Agreement between Plaintiffs and the Bear Stearns Entities, the Bear Stearns Severed Settlement shall become null and void and of no further force and effect with respect to the parties thereto. The parties thereto shall be deemed to have reverted to their respective status in the Class Action as of the date a day prior to the date that such parties reached their agreement in principle to settle the Class Action, October 11, 2007, and, except as otherwise expressly provided, said parties shall proceed as if the Master Agreement of Settlement with the Bear Stearns Defendants (the "Bear Stearns Master Agreement") and the Bear Stearns Severed Settlement, and any related orders entered in connection with the contemplated settlement of the claims against the Bear Stearns Entities in this Sub-track, had not been executed or entered. Further, in the event of such voidance, none of the following shall be used or referred to in this Sub-track by any of the parties in this Sub-track for any purpose: (i) the Bear Stearns Master Agreement and the Bear Stearns Severed Settlement (including any of the exhibits thereto); (ii) the forms of Notice, orders and judgments contemplated by the Bear Stearns Severed Settlement; (iii) any communications or negotiations with respect to the Bear Stearns Master Agreement or the Bear Stearns Severed Settlement; (iv) any of the

other severed settlement agreements entered into by the Bear Stearns Entities in any of the other MDL 1586 sub-tracks; and (v) any information provided by any of the Bear Stearns Entities to Class Lead Plaintiffs in connection with any aspect of the Bear Stearns Master Agreement or Bear Stearns Severed Settlement. Notwithstanding the foregoing, the Bear Stearns Severed Settlement shall not become null and void as a result of an election by the Bear Stearns Entities to exercise their option to withdraw from the Bear Stearns Severed Settlement pursuant to the Supplemental Agreement between Plaintiffs and the Bear Stearns Entities unless the conditions for avoidance set forth in that Supplemental Agreement have been satisfied;

(c) in the event of a avoidance of the Canary Severed Settlement pursuant to the Supplemental Agreement between Plaintiffs and the Canary Entities, the Canary Severed Settlement shall become null and void and of no further force and effect with respect to the parties thereto. The parties thereto shall be deemed to have reverted to their respective status in the Actions as of the date a day prior to the date of the execution of the Memorandum of Understanding, executed as of July 19, 2004, on behalf of plaintiffs in these MDL 1586 actions, including Plaintiffs in this Sub-track, and the Canary Entities (the "Canary MOU"), and, except as otherwise expressly provided, the parties to the Canary Severed Settlement shall proceed as if the Canary MOU, the Master Agreement of Settlement with the Canary Defendants (the "Canary Master Agreement"), and the Canary Severed Settlement, and any related orders entered in connection with the contemplated settlement of the claims against the Canary Entities in this Sub-track, had not been executed or entered. Further, in the event of such avoidance, neither the Canary Master Agreement nor the Canary Severed Settlement (including any of the exhibits

thereto), nor the forms of Notice, orders and judgments contemplated by the Canary Severed Settlement, nor any communications or negotiations with respect to the Canary Master Agreement or the Canary Severed Settlement, nor any of the other severed settlement agreements entered into by the Canary Entities in any of the other MDL 1586 sub-tracks, shall be used or referred to in this Sub-track by any of the parties to the Actions in this Sub-track. Notwithstanding the foregoing, the Canary Severed Settlement shall not become null and void as a result of an election by the Canary Entities to exercise their option to withdraw from the Canary Severed Settlement pursuant to the Supplemental Agreement between Plaintiffs and the Canary Entities unless the conditions for avoidance set forth in that Supplemental Agreement have been satisfied;

(d) in the event of a avoidance of the BAS Severed Settlement pursuant to the Supplemental Agreement between Plaintiffs and BAS, the BAS Severed Settlement shall become null and void and of no further force and effect with respect to the parties thereto. The parties thereto shall be deemed to have reverted to their respective status in the Actions as of the date a day prior to the date of the execution of the Banc of America Securities LLC Settlement Term Sheet, executed as of December 29, 2006, on behalf of plaintiffs in these MDL 1586 actions, including Plaintiffs in this Sub-track, and BAS (the "BAS Settlement Term Sheet"), and, except as otherwise expressly provided, the parties to the BAS Severed Settlement shall proceed as if the BAS Settlement Term Sheet, the Master Agreement of Settlement with Banc of America Securities LLC (the "BAS Master Agreement"), and the BAS Severed Settlement, and any related orders entered in connection with the contemplated settlement of the claims against BAS in this Sub-track, had not been executed or entered. Further, in the event of

such avoidance, neither the BAS Master Agreement nor the BAS Severed Settlement (including any of the exhibits thereto), nor any communications or negotiations with respect to the BAS Master Agreement or the BAS Severed Settlement, nor any of the other severed settlement agreements entered into by BAS in any of the other MDL 1586 sub-tracks, shall be used or referred to in this Sub-track by any of the parties to the Actions in this Sub-track. Notwithstanding the foregoing, the BAS Severed Settlement shall not become null and void as a result of an election by BAS to exercise their option to void the BAS Severed Settlement pursuant to the Supplemental Agreement between Plaintiffs and BAS unless the conditions for avoidance set forth in that Supplemental Agreement have been satisfied.

26. **Deadline for Filing Objections to the Settlements.** Any Class member may appear at the Final Settlement Hearing to show cause why the proposed Settlements should or should not be approved as fair, reasonable and adequate; why the Final Order and Judgment should or should not be entered thereon; why the Plan of Allocation should or should not be approved as fair, reasonable and adequate; why Plaintiffs' Counsel should or should not be awarded attorneys' fees and payment of expenses in the amounts sought by Lead Counsel; or why the Court should or should not grant the Plaintiffs' Award in the amount sought; *provided, however*, that no Class member shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlements, the Final Order and Judgment to be entered approving the same, the proposed Plan of Allocation, Plaintiffs' Counsels' application for an award of attorneys' fees and payment of expenses, or Plaintiffs' Award unless on or before September 21, 2010 (the "Objection Deadline"), such Class member has properly and

timely served by hand or by first-class mail on Lead Class Counsel, set forth below, written objections and copies of any supporting papers and briefs (which must contain (1) year-end account statements sufficient to show that the Class member held shares in one or more of the Class Settling Funds during the Class Period and the financial intermediary, if any, through which the Class member held shares; and (2) if the Class member held shares in the Class Settling Funds through a financial intermediary, a statement by the Class member authorizing the financial intermediary to disclose records of the Class member's holdings in the Class Settling Funds to the Claims Administrator):

Robert M. Kornreich, Esq.
Chet B. Waldman, Esq.
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and has filed by the Objection Deadline said objections, papers and briefs, showing due proof of such service upon counsel identified above, with the Clerk of the United States District Court for the District of Maryland, Baltimore Division, 101 W. Lombard Street, Baltimore, Maryland 21201. Lead Class Counsel shall file any objection received with the Court as well as provide a copy of such objection to Derivative Lead Counsel and counsel for each of the Settling Defendants within three (3) business days following receipt thereof.

27. Objections by Class members must include year-end account statements sufficient to show that the Class member held shares in one or more of the Class Settling Fund during the Class Period and the financial intermediary, if any, through which the class member held shares. Objections to the Settlements of the

Derivative Action must also include information concerning the objector's current ownership of shares in one or more of the Allianz Funds.

28. Attendance at the Final Settlement Hearing is not necessary; however, persons wishing to be heard orally in opposition to the approval of the Settlements, the Plan of Allocation, Plaintiffs' Award, and/or the request for attorneys' fees are required to indicate in their written objection their intention to appear at the Hearing. Persons who intend to object to the Settlements, the Plan of Allocation, Plaintiffs' Award, and/or Plaintiffs' Counsel's application for an award of attorneys' fees and expenses and desire to present evidence at the Final Settlement Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Final Settlement Hearing. Class members do not need to appear at the Final Settlement Hearing or take any other action to indicate their approval.

29. Any Class member who does not object in the manner prescribed above shall be deemed to have waived such objection and shall be forever foreclosed from making any objection to the fairness, adequacy or reasonableness of the proposed Settlements as well as the Final Order and Judgment and Orders to be entered approving the Settlements, the Plan of Allocation, Plaintiffs' Award or Plaintiffs' Counsel's application for an award of attorney's fees and payment of expenses and Plaintiffs' Award or from otherwise being heard concerning these subjects in this or any other proceeding, except for good cause shown. Objections raised at the Final Settlement Hearing will be limited to those previously submitted in writing.

EFFECT OF DISAPPROVAL, CANCELLATION OR TERMINATION OF AGREEMENTS

30. If the Court does not enter the Final Order and Judgment substantially in the form provided for in the Settlements, or if the Court enters the Final Order and Judgment and appellate review is sought and on such review, the entry of the Final Order and Judgment is vacated, modified or reversed in any material respect, then the Parties shall each have the right to terminate their respective Settlements by providing written notice of their election to do so to all other parties within thirty (30) days of the entry of the Court's ruling. Such notice may be provided on behalf of Class Lead Plaintiffs and the Class Members by Class Lead Counsel and on behalf of Derivative Lead Plaintiffs by Derivative Lead Counsel. No party shall have any obligation whatsoever to proceed under any terms other than substantially in the form provided and agreed to in the Stipulation (with respect to the Allianz Settling Defendants), and the relevant Third Party Settlements (with respect to each of the Third Party Settling Defendants) except to the extent provided for in ¶¶ 17, 19 and 24 of the Stipulation (and ¶¶ 21, 34 and 44 of the Bear Stearns Severed Settlement, ¶¶ 21, 32 and 44 of the Canary Severed Settlement, and ¶¶ 22, 33 and 43 of the BAS Severed Settlement), relating to the Plan of Allocation and the Fee and Expense Award. If any party to the Stipulation or any of the Third Party Settlements engages in a material breach of the terms of the Stipulation or Third Party Settlements, respectively, any other party to such agreement, provided that it is in substantial compliance with the terms of the Stipulation or Third Party Settlement to which it is a party, may terminate the Stipulation or Third Party Settlement to which is a party, on notice to the breaching party to such agreement, or sue for enforcement.

In the event the Stipulation or any of the Third Party Settlements are terminated or canceled or fail to become effective for any reason, then within ten (10) business days after written notice is sent by Class Lead Counsel or counsel for the Settling Defendants to all parties to the respective Settlements, the balance of any cash deposited by the Settling Defendants, or any of them, into the escrow account(s) established pursuant to the respective Settlements, shall be refunded to the Settling Defendant who made such payment, including interest accrued, less any Taxes and Tax Expenses due and payable with respect to such income, and any Costs of Notice or Costs of Administration paid or incurred consistent with the Settlements. In such event, the parties to the respective Settlements shall be deemed to have reverted *nunc pro tunc* to their respective status as of the date and time immediately before the execution of the Stipulation (or the respective Third Party Settlements) and they shall proceed in all respects as if the Stipulation, and/or the Third Party Settlements, this Order, and related orders had not been executed and without prejudice in any way from the negotiation, fact or terms of the respective Settlements.

31. **Deadline for Submitting Motion Seeking Final Approval.** No later than September 14, 2010, prior to the Final Settlement Hearing: (a) Plaintiffs shall file a Motion for Final Approval of the Settlements, Settlement Agreements and Plan of Allocation. Any opposition must be filed no later than September 21, 2010, with the Parties' reply (if any) to be filed no later than October 6, 2010.

32. **Deadline for Petition for Attorneys' Fees and Plaintiffs' Award.** Plaintiffs' Counsel shall file with this Court their petition for the Plaintiffs' Award and an award of attorneys' fees and reimbursement of expenses and Plaintiffs'

Award no later than September 14, 2010, prior to the Final Settlement Hearing. Any opposition must be filed no later than September 21, 2010, with Plaintiffs' Counsels' reply (if any) to be filed no later than October 6, 2010.


RETENTION OF JURISDICTION

33. The Court retains exclusive jurisdiction over the Actions to consider all further matters arising out of or connected with the Settlements.

SO ORDERED:

Dated: Baltimore, Maryland

May 19 2010


J. FREDERICK MOTZ
United States District Judge